

(3) The participation of separating Service members in transition assistance programs shall be coordinated with mission requirements.

(4) Transition assistance programs are allocated the resources necessary to delivery quality transition assistance programs.

(5) The Military Services are represented on the Department of Defense Service Member Transition Assistance Coordinating Committee. Each of the Military Services may invite an installations-level transition manager to participate.

(6) Quarterly reports on the status of transition programs are submitted to the Assistant Secretary of Defense for Personnel and Readiness beginning the second quarter after this publication is published, and continuing each quarter until cancellation of this part.

(7) The Inspector General of each Military Service shall review and report compliance with § 88.5(d)(1) through (d)(6) to the Service Secretary, on an annual basis, due no later than January 31 of the next calendar year.

#### § 88.6 Information requirements.

The quarterly report requirement in § 88.5(d)(6) has been assigned Report Control Symbol DD-P&R(Q) 1927.

### PART 89—CIVILIAN PAY ALLOTMENTS

Sec.

89.1 Reissuance and purpose.

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89.4 Criteria and standards.

ENCLOSURE 1

AUTHORITY: 5 U.S.C. 5525.

SOURCE: 44 FR 24548, Apr. 26, 1979, unless otherwise noted.

#### § 89.1 Reissuance and purpose.

This part updates the uniform policies established in implementation of Office of Personnel Management (OPM) Regulation, "Allotments and Assignments from Federal Employees (5 CFR 550.301) and Treasury Fiscal Requirements Manual for Guidance of Departments and Agencies (volume 1, part 3, "Payrolls, Deductions and Withholdings") and to provide for allotments to professional and other or-

ganizations as authorized by Federal Personnel Manual (chapter 252, Professional and other Associations).

#### § 89.2 Applicability and scope.

The provisions of this part apply to the Office of the Secretary of Defense, the Military Departments, and the Defense Agencies and govern the policy under which civilian employees may make allotments of their pay.

#### § 89.3 Definitions.

Selected Terms used are defined below:

(a) *Allotment*. A recurring, specified deduction from pay authorized by a civilian employee to be paid to an allottee.

(b) *Allottee*. The person or institution to whom an allotment is made payable.

(c) *Allotter*. The employee from whose civilian pay the allotment is made.

(d) *Pay*. The net pay due an employee after all deductions authorized by law (such as retirement, social security, Federal and State withholding tax, health benefits, and group life insurance) have been made.

(e) *Continental United States*. The several States and the District of Columbia, but excluding Alaska and Hawaii.

#### § 89.4 Criteria and standards.

(a) *Authorized allotments*. Allotments may be made for the following purposes:

(1) Support of relatives or dependents of the allotter.

(2) Savings.

(i) Unrestricted as to allottee. Two such allotments may be authorized an eligible employee at any one time. The eligibility criteria are specified in paragraph (b)(1) of this section.

(ii) Allotted to a financial organization for credit to a savings account of the allotter as authorized by the Treasury Fiscal Requirements Manual. Only two such allotments, in whole dollars, under this provision shall be allowed an eligible employee. Eligibility criteria are specified in paragraph (b)(2) of this section. Monies thus credited to the allotter's savings account may be used for any purpose in accordance with the desires and direction of the allotter as long as that purpose does not

circumvent any statute, executive order or other applicable regulation.

(3) Payment of commercial insurance premiums on the life of the allotter.

(4) Payments of U.S. Government Life Insurance or National Service Life Insurance premiums.

(5) Voluntary liquidation of indebtedness to the U.S. Government.

(6) Repayment of loans obtained for the purchase of a home.

(7) Payment of certain State and District of Columbia income taxes as authorized by OPM Regulation and the Treasury Fiscal Requirements Manual.

(8) Payment of certain city income taxes as authorized by OPM Regulation and the Treasury Fiscal Requirements Manual.

(9) Payment of labor organization dues as authorized by DoD Directive 1426.1,<sup>1</sup> "Labor-Management Relations in the Department of Defense".

(10) Charitable contributions to a Combined Federal Campaign as authorized by DoD Directive 5035.1,<sup>1</sup> "Fund-Raising within the Department of Defense" and DoD Instruction 5035.5,<sup>1</sup> "DoD Combined Federal Campaign—Overseas Area (CFC-OA)".

(11) Purchase of U.S. savings bonds. Employees normally will be permitted only two such allotments at any one time. Additional allotments for amounts of \$18.75 or more in approved increments may be authorized to the extent the pay system can accommodate such allotments.

(12) Payment of dues to a professional or other association. One allotment in a calendar year may be made by an employee to an association when the association:

(i) Provides some worthwhile function or service that would contribute to the agency's mission and programs or to the morale and welfare of the agency's employees. (See also DoD Instruction 5010.30,<sup>1</sup> "Intramanagement Communication and Consultation".)

(ii) Has a sufficient number of members who request dues withholding to justify the administrative arrangements required; that is, a minimum of either 50 participants, or 1 percent of

the total number, paid by the payroll office. This criterion may be waived by the Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics) for associations of supervisors when circumstances warrant.

(iii) Is not a labor organization eligible for recognition under DoD Directive 1426.1<sup>1</sup> does not have the characteristics or purposes of a labor organization, and is not affiliated with a labor organization or federation of labor organizations.

(iv) Is a lawful nonprofit organization. The organization's constitution and bylaws must indicate that the organization subscribes to certain minimum standards of fiscal responsibility and that it employs democratic principles in the nomination and election of officers.

(v) Does not discriminate in regard to the terms or conditions of membership because of race, color, creed, sex, age, or national origin.

(vi) Does not advocate and has not assisted or participated in a strike, work stoppage, or slowdown against the Government of the United States or any agency thereof, nor does it impose a duty or obligation on its members to conduct, assist, or participate in such a strike.

(vii) Does not advocate the overthrow of the constitutional form of Government in the United States.

(viii) Agrees to reimburse the United States for the full cost of establishing the allotment and making payment to the organization. Such costs will not be passed on to the employee by any special charge or assessment in excess of that paid by other members. This reimbursement may be waived, in whole or in part, by the ASD (MRA&L) for associations of supervisors when warranted.

(ix) Meets any additional criteria imposed by the Military Departments or Defense Agencies, or by the individual payroll offices.

(b) *Eligibility rules.* Eligibility for the making of an allotment is dependent on such factors as residents of employee, place of employment and type of allotment desired. The specific rules listed below are summarized in the table "Allotments of Pay," enclosure 1. The table is in general terms and is for

<sup>1</sup>Copies may be obtained, if needed, from the U.S. Naval Publications and Forms Center, 5801 Tabor Avenue, Philadelphia, PA. 19120. Attention: Code: 301.

general guidance only. The specific rules are listed below:

(1) An employee may make an allotment of pay as provided in paragraphs (a) (1), (2)(i), (3) through (6), (11), and (12) of this section when the employee is:

(i) Assigned to a post of duty outside the continental United States;

(ii) Working on an assignment away from his regular post of duty when the assignment is expected to continue for 3 months or more;

(iii) Serving as an officer or member of a crew of a vessel under the control of the Federal Government.

(2) An employee whose place of employment is within the continental United States may authorize an allotment of pay as provided in paragraph (a) (2)(ii) and (5), (11), and (12) of this section.

(3) An employee, who is employed outside of, but is a resident in, a State or the District of Columbia with which the Department of the Treasury has entered into an agreement to withhold income taxes from the pay of employees in accordance with the procedures prescribed in the Treasury Fiscal Requirements Manual, may make an allotment of pay for the purpose specified in paragraph (a)(7).

(4) An employee, who is employed in, or a resident of, a city with which the Department of the Treasury has entered into an agreement to withhold city income taxes in accordance with the procedures prescribed in the Treasury Fiscal Requirements Manual, may make an allotment of pay for the purpose specified in paragraph (a)(8).

(5) An employee who meets the eligibility requirements prescribed in DoD Directive 1426.1,<sup>1</sup> may make an allotment of pay for the purpose specified in paragraph (a)(9) of this section.

(6) An employee who meets the eligibility requirements prescribed in DoD Directive 5035.1<sup>1</sup> may make an allot-

ment of pay for the purpose specified in § 89.4(a)(10).

(c) *Emergency allotments.* Allotments may be authorized to become effective during an emergency evacuation in accordance with provisions of the OPM Regulation, such allotments will not become effective until an evacuation order has been issued.

(d) *Allotments for foreign nationals.* Foreign nationals employed by the Department of Defense (DoD) and working outside their own country on assignments of three or more months duration may be permitted to make allotments for any of the purposes authorized in paragraph (a) of this section, providing all other provisions of this part are observed.

(1) Foreign nationals employed by the DoD to work in their own countries or in the Canal Zone may be permitted to make allotments for the purposes shown in paragraph (a) (9) and (10) of this section, and to pay premiums on group health benefits and group life insurance.

(2) Foreign nationals may be permitted to make other allotments from pay when such allotments are based on local customs and practices or are pursuant to treaties or country-to-country agreements.

(e) *Allotment limitations.* (1) A power of attorney will not be accepted to establish, change, or discontinue an allotment.

(2) Allotment payments shall be made in accordance with the schedule established by the particular department or agency of the DoD, provided such allotment checks are not issued until the related earnings have accrued. This shall be stipulated as a requirement for the allotment.

(3) Except as provided by paragraph (a)(2) and (11), a DoD employee shall not have more than one allotment payable to the same allottee at the same time.

(4) Allotments will not exceed the pay due the allotter.

<sup>1</sup>See footnote 1 to this section.

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(f) *Discontinuance of allotments.* Allotments will be discontinued:

(1) Upon receipt of: (i) Notice of retirement, separation, or death of the allotter;

(ii) Notice that the allotter has been placed in an extended leave without pay status;

(iii) Written notice from the allotter unless this right is otherwise restricted by law;

(iv) Notice of death of the allottee; or

(v) Notice that the whereabouts of the allottee is unknown.

(2) When the conditions under which an allotment was permitted no longer exist.

TABLE—ALLOTMENTS OF PAY  
[Enclosure 1]

| Authorized allotments  |   |  |         |                               |                           |  |                                 |                     |                  |                 |                         |                           |               |                                      |     |  |     |  |     |  |     |  |     |  |     |  |  |  |
|--|---|--|---------|-------------------------------|---------------------------|--|---------------------------------|---------------------|------------------|-----------------|-------------------------|---------------------------|---------------|--------------------------------------|-----|--|-----|--|-----|--|-----|--|-----|--|-----|--|--|--|
| Rule   | Allotment of pay may be authorized for the purposes indicated when the employee is:     | 1.a  |         | 1.b(1)                        |                           | 1.b(2)   | 1.c                             |                     | 1.d              |                 | 1.e                     |                           | 1.f           |                                      | 1.g |  | 1.h |  | 1.i |  | 1.j |  | 1.k |  | 1.l |  |  |  |
|  |   | Support of dependents  | Savings | Financial institution account | Commercial life insurance | National Service and Government life insurance | Indebtedness to U.S. Government | Home loan repayment | State income tax | City income tax | Labor organization dues | Combined Federal Campaign | Savings bonds | Professional and other organizations |     |  |     |  |     |  |     |  |     |  |     |  |  |  |
|  |   |  |         |                               |                           |  |                                 |                     |                  |                 |                         |                           |               |                                      |     |  |     |  |     |  |     |  |     |  |     |  |  |  |
| 2.a  | Working within the United States  |  |         | X                             |                           |  |                                 |                     | X                |                 |                         |                           |               |                                      |     |  |     |  |     |  |     |  |     |  |     |  |  |  |
| 2.b  |   |  |         |                               |                           |  |                                 |                     |                  |                 |                         |                           |               |                                      |     |  |     |  |     |  |     |  |     |  |     |  |  |  |
| 2.c  |   | Working outside State of residence and U.S. Government has a withholding agreement |         |                               |                           |  |                                 |                     |                  |                 |                         |                           |               |                                      |     |  |     |  |     |  |     |  |     |  |     |  |  |  |
| 2.d  | Working or living in a city with which U.S. Government has a withholding agreement      |  |         |                               |                           |  |                                 |                     |                  |                 |                         |                           |               |                                      |     |  |     |  |     |  |     |  |     |  |     |  |  |  |
| 2.e  | A member of a labor/employee organization for which employer has agreed to collect dues |  |         |                               |                           |  |                                 |                     |                  |                 |                         |                           |               |                                      |     |  |     |  |     |  |     |  |     |  |     |  |  |  |
| 2.f  | Working in an area participating in a Combined Federal Campaign                         |  |         |                               |                           |  |                                 |                     |                  |                 |                         |                           |               |                                      |     |  |     |  |     |  |     |  |     |  |     |  |  |  |
| NOTE: The letter and number identifying each rule and allotment purpose references the subsection and paragraph of section D in the Directive that provide a complete description. |   |  |         |                               |                           |  |                                 |                     |                  |                 |                         |                           |               |                                      |     |  |     |  |     |  |     |  |     |  |     |  |  |  |

NOTE: The letter and number identifying each rule and allotment purpose references the subsection and paragraph of section D in the Directive that provide a complete description.